



Uniform Medical Plan

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www.ump.hca.wa.gov

Volume 5, Issue 1

Provider Bulletin

January 2003

Please circulate the *UMP Provider Bulletin* to the appropriate clinical, billing, and bookkeeping staff.

IMPORTANT! New Enrollee I.D. Cards With New I.D. Numbers

To protect enrollee privacy, starting January 1, 2003, UMP no longer uses the subscriber social security number as an enrollee I.D. number. UMP recently mailed new I.D. cards with new I.D. numbers to all enrollees. Be sure to ask your UMP patients for their new I.D. card on their first appointment after the first of the year. Effective January 1, 2003, UMP enrollees must use the new I.D. number when filling prescriptions. The new I.D. numbers should also be used in all claims submittals and inquiries.

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A Personal Note From the Medical Director

Medical Director dreams, Sore heels, Genetics of breast cancer, North South East West, who thinks we're the best?, Do we want to be like NICE?

What do medical directors dream of? I thought you were afraid to ask! What we dream of is more effective yet less expensive treatment options. We recently received a request for payment for several thousand dollars to pay for shock wave treatment for painful heel. A brief review of the literature reveals little evidence of effectiveness from the only randomized controlled trial¹. As frequently occurs, however, *uncontrolled* studies are full of enthusiasm. We have decided not to cover this treatment for this indication. In addition, looking at evidence-based alternative treatments, another randomized controlled trial suggests that off-the-shelf orthoses may be both more effective and cheaper—even compared to custom orthoses². Is this a dream come true? We'd welcome information from clinical trials of off-the-shelf orthoses for patients with plantar fasciitis or painful heel.

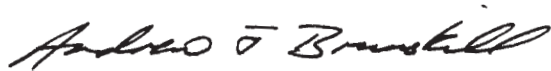
Genetics, breast cancer risk, and direct-to-consumer advertising. At a recent Genetics Testing meeting I got a preview of a new commercial encouraging women to request genetic testing for breast cancer from their providers. This is being launched in Atlanta, but we can expect it nationwide soon. Associated advertising is starting to appear in magazines directed at women. This advertising may mislead women as to the implications of test results. A negative result should provide only very modest reassurance, while a positive result is far from conclusive. This is a highly complex area. It appears that other factors, genetic and environmental, may act to substantially enhance or decrease risk

independently of these genes. At present, UMP will reimburse for these tests *only* if preauthorized and if patients have received genetic counseling from the specialized providers identified by UMP.

North, South, East, West, who thinks we're the best? I'm interested in hearing about Web sites that inform or change your practice. The following site has everything you'd want to know about osteoporosis, including risk questionnaires: <http://courses.washington.edu/bonephys/ophome.html>. Kudos to Susan Ott, MD at UW for this particularly nice site! UMP is reimbursing osteoporosis screening if and only if it follows U.S. Preventive Services Task Force criteria (see <http://www.ahrq.gov/clinic/uspstfix.htm>).

Not your father's Pub Med. The National Library of Medicine Pub Med medical literature search engine (<http://www.ncbi.nlm.nih.gov/entrez/query/static/clinical.html>), with its clinical query option, continues to be a shining example of spending our tax dollars wisely. If you don't use it or don't know how to, I suggest you get some instruction; you may be falling behind your better-informed patients! If you can get direct journal text through use of a proxy server, you are in the advanced class!

Do we want to be like NICE? The term N.I.C.E. refers to the U.K. National Institute for Clinical Excellence. If you don't know their Web site (<http://www.nice.org.uk>), I recommend it. When you initially reach the site, indicate that you are a professional and (probably) do not speak Welsh! The site has recently exasperated U.K. oncologists by not recommending irinotecan as a first-line drug in colorectal cancer (an issue of personal interest!), but it tells it like it sees it. It poses a nice challenge to us here on our mammography policies, and also has a lot of helpful information, including comprehensive reviews on wound healing trials.



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References:

1. JAMA 2002 Sep 18;288(11): 1364-72. Ultrasound-guided extracorporeal shock wave therapy for plantar fasciitis: a randomized controlled trial. Buchbinder R., Ptasznik R., Gordon J., Buchanan J., Prabaharan V., Forbes A.
2. Comparison of custom and prefabricated orthoses in the initial treatment of proximal plantar fasciitis. Pfeffer G. et al. Foot Ankle Int 1999 Apr 20(4): 214-21.

How To Reach Us

UMP Web site www.ump.hca.wa.gov
Claims Processing and Preauthorizations Toll-free 1-800-464-0967
Local (425) 670-3046
Fax (425) 670-3199

- Benefits information
- Customer service
- Claims information
- Enrollee eligibility information
- General billing questions
- Medical review
- Prenotification/preauthorization
- Request a printed prescription drug formulary
- Status of submitted claim
- Verify provider's preferred status

Automated Enrollee Eligibility Information 1-800-335-1062

Have subscriber I.D. number available, and select #2 for "PEBB subscriber information"

Provider Credentialing and Contracting Issues Toll-free 1-800-292-8092
Local (206) 521-2023
Fax (206) 521-2001

- Billing manuals and payment policies
- Change of provider status
- Fee schedules
- Network provider contract information
- New provider enrollment
- Policies and procedures
- *Provider Bulletin* feedback

Providence Preferred Oregon 1-800-762-6004
www.providence.org/healthplans

For network providers in Oregon

Beech Street Preferred Network* 1-800-432-1776
www.beechstreet.com

For network providers outside of Washington, Oregon, and Idaho counties of Bonner, Kootenai, Latah, and Nez Perce

* *Note: The Beech Street network does not apply to Medicare-primary enrollees*

Alternare Health Services, Inc. Toll-free 1-800-500-0997
Local (206) 405-2923

Preferred network information for licensed massage practitioners, naturopathic physicians, and licensed acupuncturists

Medco Health Solutions 1-800-903-8224

Prescription drugs, formulary, and claims questions

Free & Clear 1-800-292-2336

Tobacco cessation program information

UMP's New Web Site Address

Please make a note of our new Web site address: **www.ump.hca.wa.gov**. The Web site has been updated with lots of new information, including electronic copies of the 2003 certificates of coverage, our prescription drug formulary, fee schedule and billing information, and a new online provider directory. See additional details below regarding the online directory. Please check out our Web site, if you haven't had the chance yet!

UMP Drug Utilization Programs

UMP's goal is to provide access to affordable, high-quality care. The emphasis of our drug utilization review programs is to optimize duration of therapy and dosages based on evidence in the medical literature. The programs have been deemed clinically appropriate by a national Pharmacy and Therapeutics committee that includes physicians, nurses, pharmacists, and other health care professionals. As current pharmaceutical information is complex and rapidly changing, these programs are periodically reviewed and updated as appropriate. The drug utilization programs are not new to UMP. However, some enrollees become distressed when preauthorization is required for certain medications. As their prescribing provider, you can help prevent this by knowing the reasons for such a review and the appropriate steps to take.

Certain prescriptions for drugs in the classes listed below require prior authorization, depending on the dosage and other factors. When your patient submits a prescription, the pharmacist will let the patient know if prior authorization is required. The patient may contact you to provide additional information on prescriptions you have written by calling a clinical pharmacist at Medco Health Solutions at 1-800-753-2851. The pharmacist will discuss with you the reasons for the patient's prescription, and may consult with you on additional or alternative treatment approaches. Most treatment issues are easily resolved with further information. However, if you or your patient disagree with Medco Health's coverage decision, there is an appeals process available. Please see pages 65-66 of the enclosed *UMP 2003 Certificate of Coverage* for information on procedures for clinical appeals related to prescription drugs.

Drug classes requiring preauthorization

Cox-2 inhibitors
Anti-ulcer medications
Rheumatoid arthritis
Triptan migraine drugs

For information on specific coverage criteria, see pages 30-32 of the *2003 Certificate of Coverage* or call Medco Health at 1-800-753-2851. Updated information is also available on the UMP Web site at **www.ump.hca.wa.gov**.

Billing and Administrative Manuals for Professional Providers and Hospitals

We expect in the next month or so to distribute updates to the *UMP Billing and Administrative Manual for Professional Providers* and the *UMP Billing and Administrative Manual for Hospitals*, to reflect the most current coding and policies. Look for this coming in the mail to you in February. Our billing and administrative manuals are also available online at the UMP Web site (**www.ump.hca.wa.gov**).

UMP 2003 Preferred Provider and Participating Pharmacy Directory

We are no longer distributing printed copies of our *Preferred Provider and Participating Pharmacy Directory* except on request. Our new online provider directory on the UMP Web site (**www.ump.hca.wa.gov**) is updated monthly. By comparison, the printed directory is published annually and contains network information current only as of August each year. We also think you'll find the online directory's search functions very helpful. You can search for a provider by specialty, last name, city, county, or ZIP Code. To request a printed directory, or for the very latest information on the network status of a specific provider, call UMP Provider Services at 1-800-464-0967.

As one of our network providers, please remember that your UMP contract stipulates that, whenever possible, you refer your UMP patients to other UMP network providers. In most cases, UMP does not require preauthorization for specialty care. However, patients will seek your advice and recommendations. Many of our enrollees expect that you will keep provider network status in mind when you make referrals or recommend a specialist, since utilizing UMP network providers will considerably reduce their out-of-pocket expenses. Even if you practice in an area where some specialties are not well represented in our network, your patient might prefer travelling a few miles farther to see a network provider rather than paying a large bill for his or her care. With our new online directory, it's easy to search for particular specialties in specific geographic areas. Thank you for your help with this!

Highlights of Network and Benefit Changes for 2003

The following are some highlights of important benefit changes for 2003. For more detailed information, please see the enclosed *UMP 2003 Certificate of Coverage*.

Coordination of Benefits Change: No More Nonduplication of Benefits!

Good news, especially for those providers who see Medicare retirees! We have changed the way we calculate reimbursement on claims when Medicare or other insurance is the primary payer. For claims incurred on or after January 1, 2003, we no longer use the "nonduplication of benefits" methodology, which often resulted in minimal UMP payment when UMP was the secondary payer. With the standard coordination of benefits (COB) approach that we have adopted for 2003, UMP in combination with the enrollee's primary health plan will reimburse covered services up to 100 percent of allowed charges, so that enrollees typically pay nothing after their annual medical/surgical deductible has been satisfied. However, enrollees may have additional out-of-pocket expenses if services are not covered by either health plan or for services from some non-network providers.

Expansion of Out-of-State Provider Networks

In 2003, UMP will continue to use our own preferred provider network within Washington and the following Idaho border counties: Bonner, Kootenai, Latah, and Nez Perce. As before, within Washington we also continue to contract with the Alternare Health Services network for services of naturopathic doctors, acupuncturists, and massage therapists. Outside of Washington and these Idaho border counties, however, in 2003 UMP enrollees have access to higher in-network benefits through contracted networks covering most of the rest of the United States. For some time now, UMP has contracted with Providence Preferred of Oregon for services to our enrollees who live along the Oregon border. Effective January 1, 2003, the area covered by that contract has been expanded to cover most other parts of Oregon. For services elsewhere in the United States the UMP has contracted with Beech Street, a large national preferred provider network. Please note that Beech Street provider rates do not apply to UMP retirees whose primary coverage is Medicare.

While both the Providence Preferred and Beech Street networks include some providers in Washington, we will continue to recognize only UMP's directly contracted providers for network benefits within Washington State and the four Idaho border counties. This means that

in-state providers who contract with Providence and Beech Street will not be considered UMP network providers unless they also contract directly with UMP.

Our goal in expanding our out-of-state networks is to accommodate increasing demand from UMP enrollees who travel or live in other states. These enrollees will now have access to higher in-network reimbursement and benefits, such as preventive services covered in full, when they seek care from network providers out-of-state. For Oregon providers, see www.providence.org/healthplans and select Providence Preferred Providers (PPO). For outside of Washington State, Oregon, and the Idaho counties listed above, see www.beechstreet.com.

Other Changes to UMP Benefits Effective January 1, 2003

Preauthorization Requirements

The following procedures and services are covered only if preauthorized by the UMP:

- Genetic testing unrelated to pregnancy
- Inpatient hospital admissions specifically for rehabilitation (PT, OT, ST, and Massage Therapy)
- Home health services when services are expected to exceed two hours a day or daily visits beyond 14 consecutive days.

Preventive Care

- Please see the *UMP 2003 Certificate of Coverage* for specific changes in coverage for children's immunizations (we now follow guidelines of the National Immunization Program of the Centers for Disease Control).
- The preventive care benefit was also expanded to cover chlamydia screening for females through age 24; and bone density screening for females age 65 or older every two years (or starting at age 60 if at risk).

Increased Chemical Dependency Benefit

The maximum benefit for chemical dependency treatment has been increased to \$11,285 every 24 consecutive months.

Updates and Clarified Exclusions

- Recreation therapy is not covered by UMP.
- Replacements of lost or stolen medications are not reimbursed by UMP.
- Electronic Beam Tomography (EBT), self-referred or prescribed by a provider, is not covered by UMP.
- Dental care, such as any treatment of caries, gum disease including but not limited to extractions or aveoloplasties, or other dental specific services regardless of the cause, is not covered by UMP.

Changes to UMP Formulary/ Prescription Drug Benefit

For 2003, the state budget reduced UMP prescription drug benefits by 10 percent. To implement this reduction, we have made several changes to our prescription benefits. These changes include a more limited pharmacy network, increases in copayments for mail-order prescriptions, and higher enrollee cost-sharing for nonformulary brand name drugs.

Effective January 1, 2003, the enrollee cost-share for prescriptions will vary based on the following three drug tiers, as described below:

- Tier 1** Generic drugs, all insulin, all disposable diabetic supplies
- Tier 2** Single-source formulary brand name drugs
- Tier 3** Single-source nonformulary brand name drugs and all multi-source brand name drugs

Check the enclosed copy of the *UMP 2003 Prescription Drug Formulary Guide* to determine the tier that applies to a particular medication. The guide includes only the most commonly-prescribed drugs. Also, please note that drugs may shift to a different tier during the year due to changes in drug status and availability of alternatives. To see the complete UMP formulary, go to www.ump.hca.wa.gov or call 1-800-762-6004 to request a printed copy. To confirm the latest information on a drug's formulary status, call Medco Health Solutions at 1-800-903-8224.

Please keep the formulary in mind when writing prescriptions for your UMP patients. When clinically appropriate, consider generic alternatives, or substituting a formulary drug for a nonformulary one. Your attention to this can help keep prescriptions affordable for your patients.

The enrollee cost-share after UMP reimbursement is as follows (after the \$100 annual prescription drug deductible is satisfied):

Retail	Enrollee cost-share
Tier 1	Lesser of 20% or cost-share limit*
Tier 2	Lesser of 30% or cost-share limit*
Tier 3	50%

Enrollee cost-share limit: \$50 for up to 30 days' supply, \$100 for 31 to 60 days' supply, and \$150 for 61 to 90 days' supply. The enrollee cost-share limit does **not apply to Tier 3 drugs or any prescriptions purchased at non-network pharmacies.*

Mail-order	Enrollee cost-share
Tier 1	Lesser of \$10 or cost of drug
Tier 2	Lesser of \$40 or cost of drug
Tier 3	Lesser of \$80 or cost of drug

UMP does not cover over-the-counter drugs, except for insulin, prenatal vitamins during pregnancy, and nicotine replacement therapy when recommended for enrollees participating in the *Free and Clear* tobacco cessation

program. These over-the-counter drugs must be accompanied by a prescription in order to be covered.

Provider Satisfaction Survey Update

A hearty thanks to many of you who responded to UMP's recent provider survey! The response rate was a gratifying 27%. A total of 4,081 surveys were sent out, soliciting input from all types of professional providers and including all practice sites that had met or exceeded a threshold amount of claims during the prior 12 months. The respondent breakdown was as follows: 41% MD, 15% DC, 11% OD, 10% PT offices, and 23% all others.

We are currently working on a summary of the survey results, which we expect to mail to you in February. We are also working on following up with providers who indicated on their survey that they wanted us to call them about a matter of concern. The input we received through the surveys and these follow-up calls is proving to be very helpful. We really appreciate the candid comments and ideas for improving our services. As we take steps to address areas of concern, keep the input coming! Thank you for the time that many of you took to complete our survey.

Revised Provider Contracts Coming

Look out for new provider contracts, which we will start distributing soon. These replace several versions of UMP Preferred Provider Agreements currently in use, which in many cases include language that does not meet current legal requirements. The new forms will help us standardize our professional provider contracts, as well as making some changes suggested by provider feedback. This version is much easier to read, too. When you receive your updated contract, please review and return promptly per the instructions. If you have any questions, please contact Provider Services toll-free at 1-800-292-8092 or locally at 206-521-2023.

Notifying the UMP of Changes

As a UMP network provider, it is important that you keep us informed of any changes to your practice or status, such as changes to your business address, telephone numbers, tax I.D. number, licensure, certification, registration, or qualifications. See "How to Reach Us" in this bulletin for contact information for UMP Provider Credentialing staff. Also, to avoid delay in payment, please respond promptly when you receive a request from UMP to update your records.

Fee Schedules and Payment Programs Information

Implementation of 2003 CPT and HCPCS Procedure Codes and Modifiers

UMP accepts only valid procedure codes for payment consideration. New 2003 Current Procedural Terminology (CPT) Level I and Category III procedure codes were implemented by UMP for dates of service on or after January 1, 2003. In addition, the new 2003 Healthcare Common Procedure Coding System (HCPCS) level II codes were implemented. The new 2003 CPT and HCPCS modifiers may be reported on claims submitted to UMP, although most are considered informational and do not affect UMP coverage decisions or reimbursement amounts. **Please note that procedure codes and modifiers that have been shown as deleted in the 2003 CPT and HCPCS publications will not be valid for dates of service after March 31, 2003.**

Fee schedules on the UMP Web site at www.ump.hca.wa.gov have been updated to show maximum allowances for the new procedure codes. If you do not have access to the Web site, we will send you fee schedule information on request.

Hospital Reimbursement Systems Updates

We have rebased UMP's inpatient hospital reimbursement system and moved to Version 18.0 of the All Patient Diagnosis Related Grouper (AP-DRG) effective January 1, 2003. The updated AP-DRG weights are available on the UMP Web site at www.ump.hca.wa.gov.

We continue to update the code editor used with the UMP Outpatient Prospective Payment System (OPPS) for payment of hospital outpatient facility claims as the Centers for Medicare and Medicaid Services (CMS) releases additional changes, generally on a quarterly basis. The UMP OPPS is based on Ambulatory Payment Classifications (APCs) established by Centers for Medicare & Medicaid Services (CMS).

To obtain this document in another format, call our Americans with Disabilities Act (ADA) Coordinator at (360) 923-2805. TTY users (deaf, hard of hearing, or speech impaired), call (360) 923-2701 or toll-free 1-888-923-5622.

Billing Instructions, Updates, and Reminders

Electronic Claims Submission

Please remember: When the UMP is an enrollee's primary insurance, we accept electronic professional and facility claims through many electronic clearinghouses. Please use our **electronic claims payer number—75243**—for the submission of electronic claims. If you have any questions or difficulties, please contact UMP Customer Service at 1-800-762-6004 (main number) or 1-800-464-0967 (provider service line) for assistance.

Only Valid Diagnosis Codes Accepted

All claims submitted to the UMP for payment consideration must include a valid ICD-9 code and be coded to the highest level of specificity (i.e., 4th or 5th digits where applicable).

Only Valid Place of Service Codes Accepted

CMS's current 2-digit place-of-service codes must be included on the HCFA-1500 claim form for UMP payment consideration. In many circumstances there is a payment differentiation based on whether the services are provided in a facility or in an office setting. Refer to the UMP *Billing and Administrative Manual for Professional Providers* (available on the UMP Web site at www.ump.hca.wa.gov) for a listing of the place of service codes and our site of service payment policy.

Medicare Part B Claim Information for Secondary Payment Consideration

As a reminder, when UMP payment is secondary to Medicare, it is not necessary for you (or the enrollee) to submit paper claims and copies of the Part B Explanation of Medicare Benefits (EOMB)/Medicare Summary Notices (MSN) from the Medicare Part B Carrier for Washington State (Noridian Administrative Services). Noridian electronically passes Medicare Part B claim information directly to the UMP for processing of secondary professional outpatient claims for Medicare-enrolled UMP enrollees.

Paper copies of the Medicare information still need to be submitted for inpatient hospital care, durable medical equipment, and home health and hospice care, as these are processed by different Medicare carriers/intermediaries and are not being passed electronically to the UMP at this time.